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FSC-35-B				2/18/98	
SUBJECT:		CTS WINSTON Cup/NASCAR Program			
DISTR	IBUTIO	N:			
Х	AVP	Х	KAM	X DM	
X	RSM	X	AM	X RM	
X	RBM	$\overline{\mathbf{x}}$	AE	Sales Rep	
X	ROM	<u></u>	_	Retail Rep	

Objective: Provide Field Sales with information regarding supplier changes to the CTS WINSTON

Cup/NASCAR Program.

Purpose: Understand and communicate supplier change details to current and future CTS program

participants.

Wheels Sports Group has replaced Sports Image as our contact for the CTS WiNSTON Cup/ NASCAR Program. A decision has been made to continue this program for the time being, but if future legislation restricts the offering of brand logoed items, the program will be terminated. (Please destroy any previous correspondence with reference to Sports Image.) Program details are as follows:

- Program has been designed to offer our Partner CTS retailers the opportunity to participate in a
 potential profit-making category that could add a point of difference to consumers.
- Wheels Sports Group is currently compiling a catalog for CTS outlets which will feature a limited number of WINSTON Cup related items (hats, cups, t-shirts, decals etc.).
 - Wheels Sports Group has committed to offer this merchandise to our CTS customers at special pricing.
 - The retailer must understand that Wheels Sports Group <u>cannot</u> provide them with access to driver specific merchandise with the lone exception of Jimmy Spencer, current driver of the WINSTON NO BULL CAR. Since in the past this has been a retailer concern, this should be discussed upfront to avoid potential problems.
- As with the Sports Image program, the actual business relationship is between the retailer and Wheels Sports Group.
- See Attachments A, B and C for program procedures and sign-up information.

IMPORTANT INFORMATION:

Wheels Inc. has also developed a temporary NASCAR merchandise retail display program targeted
for Convenience Stores. <u>This program is being sold exclusively by the Wheels Sports Group
sales force and requires no action or involvement on the part of the RJR sales force.</u> Wheels
Sports Group expects this program to begin arriving at retail sometime in the second quarter.

WHEELS SPORTS GROUP 149 GASOLINE ALLEY MOORESVILLE, N.C. 28115 PHONE: (704) 662-6442 / FAX: (704) 662-3005

Program Contacts:

NESA - Jim Perry extension #4360

SSA - Pat O'Mara extension #7161 WSA - Rich Pettorini extension #1052 MWSA - Bill Duffy extension #5776 1 18-01 Kg

R. J. REYNOLDS TOBACCO COMPANY

CTS WINSTON CUP / NASCAR PROGRAM

IN AN EFFORT TO ENHANCE OUR "TOTAL PACKAGE" FOR CURRENT AND NEW CIGARETTE TOBACCO STORES WE ARE PLEASED TO ANNOUNCE THE CONTINUED AVAILABILITY OF THE CTS WINSTON CUP / NASCAR MERCHANDISING PROGRAM.

THIS PROGRAM IS AVAILABLE ONLY TO OUR <u>LEVEL 2 ENHANCED</u> AND <u>LEVEL 3 CTS</u> CONTRACTED CUSTOMERS.

HOW THE PROGRAM WORKS

WHEELS SPORTS GROUP HAS AGREED TO MAKE AVAILABLE SELECTED WINSTON CUP / NASCAR WEARABLES AND SOUVENIRS AT DISCOUNTED RATES TO SELECTED RJR RETAILERS.

ONCE RJR HAS APPROVED A RETAILER TO BE A WHEELS SPORTS GROUP DIRECT BUYING CUSTOMER, THE ACTUAL BUSINESS RELATIONSHIP FOR THIS PROGRAM THEN BECOMES SOLELY BETWEEN THE RETAILER AND WHEELS SPORTS GROUP.

RJR CAN ALSO PROVIDE A DISPLAY CASE COMPLETE WITH EXCITING WINSTON CUP GRAPHICS HOWEVER INVENTORY ON THESE UNITS IS LIMITED AND WILL NOT BE RE-STOCKED FOLLOWING DEPLETION - PLEASE CHECK AVAILABILITY PRIOR TO COMMITTING TO RETAILERS.

THIS FIXTURE IS AVAILABLE IN 3' OR 4' SECTIONS AND COMES WITH CHANGEABLE GRAPHICS AND AN ASSORTMENT OF DISPLAY SHELVES AND APPAREL HOOKS. RETAILERS CAN HAVE THE UNITS AT A COST SHARED PRICE OF \$411 FOR THE 3' UNIT AND \$491 FOR THE 4' UNIT.

CTS WINSTON CUP/NASCAR PROGRAM PROCEDURES

THE FOLLOWING STEPS MUST BE COMPLETED TO SETUP QUALIFYING RETAILERS THAT ARE INTERESTED IN THE CTS WINSTON CUP / NASCAR PROGRAM:

- I. COMPLETE THE WHEELS SPORTS GROUP AGREEMENT FORM AND FORWARD TO WHEELS SPORTS GROUP (FAX OR MAIL TO ADDRESS ON THE FORM). UPON RECEIPT OF THIS INFORMATION, WHEELS SPORTS GROUP WILL CONTACT THE RETAILER DIRECTLY TO BEGIN THE CREDIT, PRODUCT INFORMATION AND ORDERING PROCESS
- 2. COMPLETE THE FIXTURE ORDER FORM AND SUBMIT TO YOUR ROU
- 3. COMPLETE THE FIXTURE COST SHARE AGREEMENT FORM AND SELECT A PAYMENT OPTION.
 - OPTION ONE RETAILER PAYS FOR FIXTURE(S) IN ENTIRETY WITH CHECK WRITTEN TO RJRTC
 - OPTION TWO COST OF THE FIXTURE(S) IS DEDUCTED IN ENTIRETY FROM THE NEXT QUARTERLY RDA PAYMENT
 - OPTION THREE IF THE COST OF THE FIXTURE(S) EXCEEDS THE QUARTERLY RDA
 PAYMENT THEN THE DEDUCTION WILL BE CARRIED TO THE FOLLOWING QUARTER
 UNTIL THE ENTIRE AMOUNT OWED RJR IS COMPLETED

CTS WINSTON CUP / NASCAR PROGRAM

DISPLAY CASE ORDER FORM

UNIT	ITEM#	DIMENSIONS	COST
3' DISPLAY CASE 4' DISPLAY CASE	530105 530111	3'W - 5'H - 1'D 4'W - 5'H - 1'D	\$411 \$491
WINSTON CUP		WINSTO	N CUP
3' UNIT QUANTITY	_ _	4' UNIT QUANTIT	Y
TOTA	L COST SHARE AM	OUNT \$	
PAYMENT OPTION (CHECK O	ONE)		
RETAILER PAYS WITH CI DEDUCT ENTIRE AMOUN DEDUCT ENTIRE AMOUN	T FROM NEXT QUA	ARTERLY RDA PAYMENT O QUARTERLY RDA PAYMEN	TS
STORE NAME			
ADDRESS			
SIS#	_CTS CONTRACT PL	_AN	
RETAILER SIGNATURE			
RJR REPRESENTATIVE NAME			

1843 750

WHEELS SPORTS GROUP

CTS WINSTON CUP / NASCAR PROGRAM

RETAILER MUST COMPLETE THE FOLLOWING INFORMATION TO BEGIN THE PROCESS OF BECOMING A DIRECT BUYING CUSTOMER WITH WHEELS SPORTS GROUP:

COMPANY NAME:
CONTACT NAME:
SHIPPING ADDRESS:
BILLING ADDRESS:
PHONE: FAX:
RJR REP, PLEASE FORWARD THIS INFORMATION AND A COPY OF THE RETAILER'S BUSINESS LICENSE TO MIKE NUTTING AT THE FOLLOWING ADDRESS:
WHEELS SPORTS GROUP
149 GASOLINE ALLEY
MOORESVILLE, N.C. 28115 PHONE: (704) 662-6442 / FAX: (704) 662-3005
THIS PROGRAM IS AVAILABLE TO QUALIFYING CTS RETAILERS AS APPROVED BY RJR 限图
RJR REPRESENTATIVE SIGNATURE
DATE CTS PLAN SIS ACCOUNT #